

**It's All Smiles as Two Patch Up Campaign Wounds**

**'No Hatchet to Bury' for Bush, Jackson**

By DAVID LAUTER, *Times Staff Writer*

WASHINGTON—President-elect George Bush met with the Rev. Jesse Jackson over a long and cheerful luncheon Wednesday and then told reporters that "this wasn't a burying the hatchet meeting 'cause no hatchets needed to be buried."

Jackson, all smiles, said that he expects Bush to set a "moral tone for the country" and declined to renew his criticisms of Bush campaign advertisements that he had

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labeled "racist" just a month ago. "Let us not focus on that now, let us deal with today forward," he said. As President, Jackson added, Bush is "clearly" going to be more open to blacks and other minority group members than President Reagan has been.

Bush, he joked, is "moving begrudgingly, but with a lot of excitement, toward liberalism."

Bush has no intentions of suddenly joining the ranks of those whom he labeled "L-people" during the campaign. But his meeting with Jackson was another step in a carefully planned campaign to reach out to those who did not support him during the presidential election, among whom are blacks, who voted overwhelmingly for the Democratic candidate, Michael S. Dukakis.

Earlier in the day, Bush worked on out-reach of a different sort, unsuccessfully trying to convince a senior defense industry official to accept the job of deputy secretary of defense.

The unusual move of offering a person the Pentagon's No. 2 job before the top person has been named was part of Bush's attempt to put together a defense "team" in which former Texas Sen. John Tower, the likely defense secretary, would be paired with a management expert who would lead efforts to streamline and reform

Pentagon practices.

**Reaching Beyond Base**

While trying to handle such immediate personnel questions, Bush has been conducting a series of meetings with representatives of groups who fall outside the Republican Party's traditional, and still dominant, white Anglo-Saxon Protestant base. Republican strategists see such efforts as imperative both for a successful Bush Administration and for the long-term future of the party in a nation where the percentage of nonwhite voters is growing steadily.

At personnel meetings, Bush repeatedly has asked aides "where are the blacks, where are the Hispanics, and where are the women?" transition personnel director Chase Untermeyer said at a briefing Wednesday.

"That's enough of a signal, as if I hadn't gotten it before or my colleagues hadn't gotten it before," Untermeyer said. "The rest of the Cabinet will clearly reflect those instructions."

But while Bush has promised that women and blacks will be in his Administration, he has said little about how many or what posts they might hold. And several more white males are believed to be in line to join the currently all-white, all-male Bush Cabinet.

Bush's longtime friend and former finance chairman Robert A. Mosbacher met Monday with transition aides and agreed to be secretary of commerce if Bush asks, sources familiar with the discussions said. "He knows he's on a priority list and now is awaiting the pleasure of the President-elect," said John Cozart, a Dallas public relations executive and Mosbacher family friend who was fielding telephone calls for Mosbacher.

"In terms of timing, it's really George Bush's call at this point. The timing is in the President-elect's court."

Another white, male Cabinet

prospect, this one for secretary of agriculture, assisted Bush during Wednesday's meeting with Jackson. Former Iowa Rep. Cooper Evans, a farmer and friend of Bush's, briefed Jackson before lunch on the continuing problems in the nation's farm economy and the Reagan Administration's decision to foreclose on thousands of farms whose owners have been unable to repay Farmer's Home Administration loans. The plight of Midwestern family farmers has been a major cause for Jackson.

Defense, however, continues to be Bush's main concern, one which may have deepened after Wednesday's rejection by Norman R. Augustine, the 53-year-old chief ex-

ecutive officer of Martin-Marietta, the nation's seventh largest defense contractor.

Bush was scheduled to meet with Augustine to discuss the job with him. Transition sources could not confirm whether the face-to-face meeting took place or whether it was canceled after Augustine made clear that he would not accept a second-rank job.

Augustine drew the attention of the Bush forces after he was de-

scribed in business magazines as the defense industry's "Mr. Clean." Attention now shifts to several other candidates who defense and transition sources say are on Bush's "short list," including Alcoa chairman Paul O'Neill, who was rumored before to be a candidate for the top Pentagon job; recently retired Martin-Marietta chairman Thomas Pownall; Robert L. Kirk, president of Allied-Signal Aerospace and former chief executive of

Dallas-based LTV Aerospace & Defense Co.; and Lawrence O. Kitchen, set to retire on Dec. 31 as board chairman of the Lockheed Corp.

Bush ducked a question about the continued delay in naming a Pentagon chief after his meeting with Jackson, a session that he said he hoped would allow the two men to establish "common ground," one of Jackson's favorite phrases from his campaign. Jackson, in turn, borrowed some of Bush's campaign language, saying that he wanted to speak with Bush about a "kinder, gentler approach" toward federal budget policies.

The two men also discussed the Bush advertisements that Jackson had so fervently denounced during

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the campaign, in particular those that attacked Massachusetts' prison furlough program, which had allowed a black murderer, Willie Horton, to escape and rape a white woman in Maryland. The advertisements, Jackson said during the campaign, exacerbated racial fears.

Bush did not apologize for the advertisements but, he said, "to the degree some interpreted that as having anything to do with race, Jesse Jackson gave me an opportunity to tell him in unequivocal terms that that was not my intention." Jackson appeared satisfied with that statement, saying again that he believed the advertisements "had the effect" of raising racial tensions, but repeatedly turning away reporters' inquiries

about whether he still blamed Bush for them.

The two men also joined together in opposing any form of furlough or parole for a different prisoner, James Earl Ray, the assassin of Dr. Martin Luther King Jr. Ray has been imprisoned in Tennessee's Brushy Mountain State Penitentiary since King's murder in 1968 except for one escape several years ago, but state prison officials have raised the possibility that he could be released soon.

Release of Ray would "send the wrong signal to America," Bush said.

Staff writers James Gerstanzang, Melissa Healy and Cathleen Decker contributed to his story.